EXHIBIT 3 DATE 2/4/2611 1

Statewide Longitudinal Data System (SLDS)

- The OPI was awarded the SLDS grant in 2009 from the Institute of Education Sciences of the US Department of Education (IES)
 - Grant award is \$5,798,457
 - o Grant is for 4 years, starting July 1, 2009 and completing in 2013
- The major goal of the grant is to provide a strong foundation for Montana's education information systems and remove barriers to obtaining data in a usable form for decision-makers who need it. SLDS will make possible future reliance on timely, accurate data for a variety of educational purposes including longitudinal studies for growth models, resource allocations, and data mining for information critical for education decisions by the State Superintendent and OPI, the Governor and legislature, the Board of Public Education, school districts, teachers, and the public.
- Major objectives include:
 - Create a data governance structure
 - o Create an enterprise-wide data architecture
 - o Establish a K-12 data warehouse
 - Migrate data from existing data systems to the data warehouse
 - Implement a business intelligence product (reporting)
- Guiding principles:
 - o Protect the confidentiality of student data
 - Make existing data easier to use for improving school performance
 - System needs to be easy to use and serve many different communities
 - Utilize existing data from within the OPI
 - o Make data available as quickly as possible
 - o Low ongoing costs
 - Access to student level data will be tightly controlled and will require authorization by the OPI and a secure login to the system
- Current Status
 - o The grant funded 4 individuals and this team is assembled
 - ESP Solutions Inc was engaged to assist with requirements gathering, the creation of the data governance structure and to assist with the creation of the Request For Proposal (RFP)
 - The RFP has been issued to solicit bids for the purchase of the tools needed to complete the project and the services to establish the warehouse and initial data migration and reports.
 - o The team is evaluating the RFP responses in February

SLDS Objectives

Data Governance

- Data Governance is the body for establishing policies and procedures that clearly define standards for data collection, analysis and reporting
- The Data Governance Committee has final authority on establishing the mandatory standards for individuals, groups and systems that touch data. This includes monitoring of, and ongoing adherence to, these standards

Enterprise Architecture

- Document all data the OPI currently maintains
- Establish guidelines for future growth of technology

• Data Warehouse

- The repository where the K-12 data for the public education system will be collected from existing OPI sources.
- Will be capable of linking student and educational information over multiple years, across multiple schools and districts.
- Will be structured to maintain large amounts of related, historical data for analysis and reporting.
- Provides for easy reconstruction of "snapshots" of historical data, as well as the ability to link such snapshots over time using certain criteria.
- Is not a typical "transactional" system used for day-to-day operations nor does it replace existing OPI systems

Data Migration

- Extracts data from existing OPI systems and imports it is a consistent format to the data warehouse
- No additional data will be collected

Business Intelligence Tools

- Allows for the reporting from the data warehouse
- Provides the ability to develop key metrics from multiple areas and analyze them in a single view.